



September 9, 2003

Lincoln Park and corporate officials are charged with a scheme to make illegal payments to a law firm

Illicit payments were allegedly proposed to facilitate approval of additional slot machines and to block legislation for a Narragansett Indian casino

A federal grand jury in Rhode Island has charged the company that operates **Lincoln Park** dog track, the company's CEO, and the CEO of its parent corporation with engaging in a scheme to make illegal payments to a law firm to facilitate approval for additional slot machines at Lincoln Park. Another objective of the alleged scheme was to prevent approval of a Narragansett Indian casino.

The Office of the United States Attorney, Kenneth W. Kaiser, Special Agent in Charge of the Federal Bureau of Investigation, and Colonel Steven M. Pare, Superintendent of the Rhode Island State Police, jointly announced a 22-count indictment, which was returned today in U.S. District Court, Providence.

Charged in the indictment are **Nigel Potter**, the Chief Executive Officer of Wembley, PLC, the parent corporation of Lincoln Park; **Burrillville Racing Association**, the former name of the entity that owns Lincoln Park; and **Daniel Bucci**, at one time Lincoln Park's General Manager and now the CEO of Lincoln Park, Inc. A summons will be issued for the defendants to appear in U.S. District Court for arraignment. (arraignment – 9/19/03, 11:30 AM)

The defendants allegedly proposed to pay McKinnon and Harwood, a Pawtucket law firm, a multi-year, multi-million dollar payment intended as a bribe but disguised as

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legitimate payment for legal services. The indictment does not charge the firm, or its principal partners, Daniel F. McKinnon and John B. Harwood, former speaker of the Rhode Island House of Representatives, with any criminal offenses. It names the firm, however, as the intended recipient of the payments.

Additional VLTs

According to the indictment, the defendants wanted Harwood and other public officials to use their influence to obtain approval from the Rhode Island Lottery Commission for additional Video Lottery Terminals (VLTs) at Lincoln Park. The Lottery Commission has nine members, six of whom are appointed by legislative leaders. The defendants also allegedly wanted to forestall state legislation facilitating a Narragansett Indian casino.

The indictment alleges that, between August 2000 and September 2001, Bucci, in Rhode Island, and Potter, in the United Kingdom, sent facsimiles to each other discussing specifics of the proposed illegal payments. Bucci also allegedly sent facsimiles to Wembley, USA, located in Colorado, and to unidentified coconspirators in the United Kingdom. Among the facsimiles were the following, according to the indictment:

- In October 2000, Bucci allegedly sent a fax to Potter suggesting that to advance their efforts for additional machines and “silence the Indians,” a reward should be given to Lincoln Park supporters who “took the brunt of media assaults;”
- In November 2000, Potter allegedly faxed Bucci, proposing a meeting to discuss “who and how we want to incentivise (sic) to maximise our opportunity for success;”
- In November 2000, Bucci allegedly sent a fax to Wembley USA, stating that “Big Money” was being thrown around and he needed a decision on “rewarding” and “incenticizing (sic);”

- In December 2000, Potter allegedly faxed Bucci, endorsing Bucci's strategy to obtain 1,000 to 1,500 additional VLTs and to pay McKinnon and Harwood \$500,000 a year for 2001 and 2002; if more than 1,000 additional machines were authorized, Potter would consider increasing the payment to \$1,000,000 per year for 2003, 2004, and 2005; Potter allegedly indicated that, if no additional machines were authorized, the payments would cease.
- In December 2000, Bucci allegedly faxed Potter, suggesting that, without the incentive to McKinnon and Harwood, Lincoln Park might get additional machines but the Narragansett Tribe would also receive approval for a casino; Bucci allegedly advised Potter that Lincoln Park supporters were being offered more money to support the Tribe.

In January 2001, Potter allegedly advised the board of directors of Wembley USA that the parent corporation had approved payments to McKinnon of \$4,500,000 over six years.

Ensuing facsimiles included the following, according to the indictment:

- On March 8, 2001, in a facsimile to two coconspirators in the United Kingdom, Bucci suggested that Harwood was the most powerful politician in Rhode Island, that Lincoln Park's political success was due to McKinnon and Harwood, and that a payment of one million dollars a year would send a clear message of gratitude;
- On March 15, 2001, Bucci allegedly faxed two coconspirators in the United Kingdom, stating that McKinnon had rejected the multi-year payment arrangement but that McKinnon might accept a one-year arrangement consisting of 12 monthly payments of 1/8 of a million dollars each;

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- On March 30, 2001, Bucci allegedly sent a fax to two coconspirators in the United Kingdom and, while discussing the proposed payment to McKinnon and Harwood, indicated that the amount of money at stake was “almost intimidating...60% to 90% increase in business; 2 years from now, is not impossible;”
- On September 25, 2001, in an alleged facsimile to Potter, Bucci stated that he had spoken with various Rhode Island politicians and that it was “pretty much understood” that Lincoln Park would “do the right thing” with McKinnon and Harwood “when the authorities walk away from us.”

The indictment charges Potter, Bucci, and Lincoln Park with conspiracy to engage in a scheme to defraud by use of wire transmissions and with 21 counts of wire fraud. An indictment is merely an allegation and a defendant is presumed innocent unless and until proven guilty. Upon conviction, the statutory maximum penalty for each offense charged in the indictment is five years in federal prison and a \$250,000 fine. The maximum penalty against a corporation is a \$500,000 fine. Exact sentencing for any defendant who is convicted would be determined on the basis of federal sentencing guidelines, which take into account such factors as the specific nature and impact of an offense and a defendant’s criminal background, if any.

The **Federal Bureau of Investigation** and the **Rhode Island State Police** investigated the case. Assistant U.S. Attorneys James H. Leavey and Peter F. Neronha are prosecuting it.

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